NOVA SCOTIA

Swine Farm Business Summary

1982

Farrow to Finish

P R E F A C E

The 1982 Nova Scotia Swine Farm Business Summary is a synopsis of the business performance of forty-three (43) Nova Scotia Swine Farms.

The farms used in this summary were not selected on a random sample basis. Instead, farmers volunteered their data for use in the summary. Since this is not a random sample selection of farms, care should be exercised in the use and interpretation of the results shown in the various tables of this summary.

Despite this limitation, farmers can compare their individual results with group average figures for farms with similar characteristics. Such comparison can provide the farm manager with useful information that can be used in management decisions. However, the best information is the farmers own records and comparison of these from one year to the next.

We gratefully acknowledge the co-operation of the forty-three (43) swine producers who participated in this summary.

We further acknowledge the efforts of Jamie Oxley, Agriculture Canada for the computer work; Shelley Manning who gathered the data and along with Debbie Freeman prepared the data for this summary; and Tracey Mitchell for the secretarial work.

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Section A

Introduction

INTRODUCTION

The Nova Scotia Swine Farm Business Summary is designed to provide bench-mark information that can be used to compare the financial strength and weakness of individual swine farms with similar characteristics. Farm Business Analysis is an important function of the farm manager-operator. When analysing the farm business, you must ask meaningful questions regarding the costs, incomes, efficiencies and capital investment found in your business. This summary is designed to assist you with those questions and to provide you with basic information for comparison purposes. By identifying the strengths of your business and building on these, you should be able to enhance the profit picture of your farm business. By identifying the weaknesses of your business and taking corrective action, the profit picture should also be improved.

Standards of performance and business progress are matters of personal choice and family goal setting. Each farm situation will have a different set of goals or objectives - a different set of values that you feel must be met through the farm business. It is for each of you to identify these and then compare your performance in achieving these objectives.

There are several ways that you can compare your farm performance. These include:

- You can compare your performance this year to that of last year. This perhaps is the best comparison. Have you progressed in reaching the goals you have set for your farm business.
- You can compare your performance with group average data for farms of similar size and general characteristics. This report may be useful in this regard.
- You can compare your performance to that found by research - realizing that the research data was obtained under a special set of conditions.

In 1982, there were a total of 186 swine producers in Nova Scotia. Basic data for this summary was prepared from forty-three (43) of these farms from throughout the Province. These forty-three (43) farms represent 23 percent of the total swine farms in the Province.

In terms of production, the farms included in this summary produced a total of 85,699 hogs. The total for the Province was 217,403 head. Hence, in production terms, farms in this summary comprise 39.4 percent of the total hog production in Nova Scotia in 1982.

The forty-three (43) swine farms in this summary were classified into three (3) groups according to herd size. These groups were: (1) 20-99 Sows, (2) 100-199 Sows, and (3) 200 Plus Sows. Sections "B" through "E" provide income, expense and production information on the various groups.

Section B

20-99 SOWS

RECEIPTS

In this size group, receipts from the sale of hogs averaged 94.4 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 91.9 percent, cull sows and boars 3.1 percent, breeding stock sales 1.5 percent, weanling sales 2.8 percent and other hogs 0.7 percent.

Total Farm Receipts amounted to $161,364. on a per farm basis or $2,156. on a per sow basis.

TABLE B-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$140,069.	$ 1,871.
Weanlings	4,198.	56.
Gilts - Breeding Stock	1,653.	22.
Boars - Breeding Stock	680.	9.
Cull Sows	4,385.	59.
Cull Boars	296.	4.
Other Hogs	1,106.	15.
TOTAL HOG SALES	$152,388.	$ 2,036.
Stabilization	$ 2,294.	$ 31.
Subsidies	1,893.	25.
Other Income	4,789.	64.
TOTAL FARM RECEIPTS	$161,364.	$ 2,156.

EXPENSES

Purchased feed was the largest item of cost and accounted for 73.7 percent of Cash Expenses. In dollar terms, feed amounted to $1,311. on a per sow basis.

Feed was followed by hired labor at 3.7 percent, interest on operating loans at 3.5 percent, utilities at 3.3 percent, and miscellaneous at 3.3 percent of Cash Expenses.

TABLE B-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$ 98,118.	$ 1,311.
Swine Purchased	3,041.	41.
Hired Labor	4,967.	66.
Bedding	240.	3.
Vet & Drugs	1,297.	17.
Hog Supplies	754.	10.
Marketing Costs	2,418.	32.
Utilities	4,398.	59.
Taxes	712.	10.
Insurance	1,203.	16.
Building Repairs	2,827.	38.
Machinery & Equipment Expense	1,683.	22.
Auto Expenses	2,335.	31.
Interest - Operating	4,705.	63.
Miscellaneous	4,400.	59.
TOTAL CASH EXPENSES	$133,098.	$ 1,778.

INCOME SUMMARY

Income is one of the key factors studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. In this size group, this income measure averaged $28,266. per farm or $378. on a per sow basis.

NET FARM INCOME is the difference between Farm Receipts and Cash Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in this group, Net Farm Income was $8,474. per farm or $114. on a per sow basis.

TABLE B-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$161,364.	$ 2,156.
Total Cash Expenses	133,098.	1,778.
NET CASH INCOME	$ 28,266.	$ 378.
Plus: Inventory Change	$ 3,630.	$ 49.
Less: Depreciation	14,577.	195.
Interest on Capital Loans	8,845.	118.
NET FARM INCOME	$ 8,474.	$ 114.

AVERAGE COST OF PORK PRODUCTION

The average cost of producing pork for the 20-99 sow group was $0.66 per pound live weight or $0.85 per pound dressed weight.

Note that this cost figure does not include a value for operator labor or interest on equity. Instead it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE B-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$156,520.	$ 2,091.
Plus: Inventory Adjustment		-(3,630.)	-(49.)
Less: Cull Sales		4,681.	63.
Other Income		4,789.	64.
TOTAL COSTS		$143,420.	$ 1,915.
Total Pounds of Pork Produced (L.W.)	(lbs)	217,941	2,906
Ave. Cost of Production (L.W.)	($)	0.66	0.66
Ave. Cost of Production (D.W.)	($)	0.85	0.85

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. This item averaged 62.7 percent of Total Costs in this group. Feed purchased was followed by depreciation at 9.3 percent, interest on capital loans at 5.6 percent, hired labor at 3.2 percent and interest on operating loans at 3.0 percent.

TABLE B-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	62.7 %
Swine Purchased	1.9
Hired Labor	3.2
Bedding	0.2
Vet & Drugs	0.8
Hog Supplies	0.5
Marketing Costs	1.5
Utilities	2.8
Taxes	0.5
Insurance	0.8
Building Repairs	1.8
Machinery & Equipment Expense	1.1
Auto Expenses	1.5
Interest - Operating	3.0
Miscellaneous	2.8
Interest - Loans	5.6
Depreciation	9.3
TOTAL	100.0 %

PRODUCTION ANALYSIS

For this size group, the average number of sows per farm was 25, each averaging 2.02 litters of pigs per year.

There was an average of 20.49 pigs born per sow, with 16.90 of these being weaned. Suckling mortality averaged 17.69 percent.

Sales of market hogs accounted for 87.1 percent of hog sales. Feeder hog mortality averaged 3.70 percent for these farms.

TABLE B-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	75	1
Number of Boars	4	0.05
Number of Litters	151	2.02
Pigs Born	1,534	20.49
Pigs Born Alive	1,437	19.19
Pigs Weaned	1,265	16.90
Pigs Born per Litter	10.14	-
Pigs Born Alive per Litter	9.50	-
Pigs Weaned per Litter	8.36	-
Suckling Mortality (#)	297.0	3.97
Suckling Mortality (%)	17.69	-
Weanlings Sold	96	1.28
Breeding Stock Sold	12	0.16
Gilts Kept for Replacement	31	0.41
Market Hogs Sold	1,009	13.45
Other Hogs Sold	10	0.13
Inventory Change $\pm$	120	1.60
Purchases	5	0.06
Total Hogs Produced	1,265	16.87
Total Hogs Sold	1,158	15.44
Feeder Hog Mortality (#)	64	0.90
Feeder Hog Mortality (%)	3.70	-
Inventory Adjustment $\pm$	-(72)	-(0.96)

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed weight of 165 pounds.

Sow culling rates averaged 33.39 percent in this group and for each man equivalent of labor available, 41 sows were maintained.

TABLE B-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	165
Ave. Return per Market Hog	($)	137.45
Sow Mortality	(%)	5.33
Cull Rate on Sows	(%)	33.39
Labor Man Equivalents	(#)	1.82
Sows Kept per Man	(#)	41.0
Total Sales per Man	($)	88,535
Live Hog Produced per Man	(kgs)	54,431

FEED ANALYSIS

For this size group, feed consumption per hog averaged 1.78 kilograms of creep (pre-starter), 45.6 kilograms of starter and 236.3 kilograms of grower for a total consumption of 283.68 kilograms of feed. This gives a feed conversion of 2.91 pounds of feed for each pound of gain.

Total cost of feed per hog was 77.08 and the feed per sow and boar was 1,004 kilograms.

TABLE B-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	1.78
Cost Creep/Hog	($)	0.93
Starter per Hog	(kgs)	45.60
Cost Starter/Hog	($)	16.25
Grower per Hog	(kgs)	236.30
Cost Grower/Hog	($)	59.90
Total Feed per Hog	(kgs)	283.68
Total Cost Feed/Hog	($)	77.08
Ave. L.W. Hog Produced	(kgs)	96.33
Feed Conversion - Starter & Grower		2.91
Feed Cost/Kg. L.W. Hog	($)	0.80
Feed Cost/100 Lbs. L.W. Hog Produced	($)	36.36
Feed Cost/100 Lbs. D.W. Hog Produced	($)	46.72
Creep Cost/Tonne	($)	523.11
Starter Cost/Tonne	($)	356.29
Grower Cost/Tonne	($)	253.51
Feed per Sow & Boar	(kgs)	1,004

Section C

100-199 SOWS

RECEIPTS

Receipts from the sale of hogs for this size group averaged 96.0 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 90.1 percent, breeding stock 3.1 percent, cull sows and boars 2.8 percent, weanling sales 3.9 percent and other hogs 0.2 percent.

Total Farm Receipts amounted to $378,482. on a per farm basis or $2,404. on a per sow basis.

TABLE C-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$327,556.	$2,080.
Weanlings	14,174.	90.
Gilts - Breeding Stock	9,594.	61.
Boars - Breeding Stock	1,602.	10.
Cull Sows	9,739.	62.
Cull Boars	257.	2.
Other Hogs	570.	4.
TOTAL HOG SALES	$363,492.	$2,309.
Stabilization	$ 4,414.	$ 28.
Subsidies	3,517.	22.
Other Income	7,059.	45.
TOTAL FARM RECEIPTS	$378,482.	$2,404.

EXPENSES

Purchased feed was the largest item of cost and accounted for 71.4 percent of Total Cash Expenses. In dollar terms feed amounted to $1,393. on a per sow basis.

Feed was followed by hired labor at 8.2 percent, interest on operating loans at 3.5 percent, utilities at 2.7 percent and purchased livestock at 2.6 percent of Total Cash Expenses.

TABLE C-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$219,359.	$1,393.
Swine Purchased	7,952.	51.
Hired Labor	24,959.	159.
Bedding	358.	2.
Vet & Drugs	1,918.	12.
Hog Supplies	2,537.	16.
Marketing Costs	3,364.	21.
Utilities	8,274.	52.
Taxes	1,607.	10.
Insurance	3,042.	19.
Building Repairs	4,709.	30.
Machinery & Equipment Expense	6,904.	44.
Auto Expenses	3,705.	24.
Interest - Operating	10,922.	69.
Miscellaneous	7,650.	49.
TOTAL CASH EXPENSES	$307,260.	$1,951.

INCOME SUMMARY

Income is one of the key factors studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. For these farms, this income measure averaged $71,222. per farm or $453. on a per sow basis.

NET FARM INCOME is the difference between Farm Receipts and Cash Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in this size group, Net Farm Income was $44,194. per farm or $282. on a per sow basis.

TABLE C-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$378,482.	$2,404.
Total Cash Expenses	307,260.	1,951.
NET CASH INCOME	$ 71,222.	$ 453.
Plus: Inventory Change	$ 23,328.	$ 148.
Less: Depreciation	18,971.	120.
Interest on Capital Loans	31,385.	199.
NET FARM INCOME	$ 44,194.	$ 282.

AVERAGE COST OF PORK PRODUCTION

The average cost of producing pork for this size group was $0.63 per pound live weight or $0.81 per pound dressed weight.

Note that this cost figure does not include a value for operator labor or interest on equity. Instead, it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE C-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$357,616.	$2,270.
Plus: Inventory Adjustment		-(23,328.)	-(148.)
Less: Cull Sales		9,996.	64.
Other Income		7,059.	45.
TOTAL COSTS		$317,233.	$2,013.
Total Pounds Pork Produced (L.W.)	(lbs)	505,430	3,219
Ave. Cost of Production (L.W.)	($)	0.63	0.63
Ave. Cost of Production (D.W.)	($)	0.81	0.81

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. In this group, this item averaged 61.3 percent of Total Costs. Feed purchased was followed by interest on loans at 8.8 percent, hired labor at 7.0 percent, depreciation at 5.3 percent and interest on operating loans at 3.1 percent.

TABLE C-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	61.3 %
Swine Purchased	2.2
Hired Labor	7.0
Bedding	0.2
Vet & Drugs	0.5
Hog Supplies	0.7
Marketing Costs	0.9
Utilities	2.3
Taxes	0.4
Insurance	0.9
Building Repairs	1.3
Machinery & Equipment Expense	1.9
Auto Expense	1.1
Interest - Operating	3.1
Miscellaneous	2.1
Interest - Loans	8.8
Depreciation	5.3
TOTAL	100.0 %

PRODUCTION ANALYSIS

For farms in this group, the average number of sows per farm was 157, each averaging 2.12 litters per year.

There was an average of 22.62 pigs born per sow with 18.28 of these being weaned. Suckling mortality averaged 18.02 percent.

Sales of market hogs accounted for 84.3 percent of hog sales. Feeder hog mortality averaged 1.51 percent for these farms.

TABLE C-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	157	1.0
Number of Boars	8	0.05
Number of Litters	334	2.12
Pigs Born	3,562	22.62
Pigs Born Alive	3,278	20.82
Pigs Weaned	2,878	18.28
Pigs Born per Litter	10.66	-
Pigs Born Alive per Litter	9.81	-
Pigs Weaned per Litter	8.62	-
Suckling Mortality (#)	689	4.38
Suckling Mortality (%)	18.02	-
Weanlings Sold	300	1.91
Breeding Stock Sold	60	0.38
Gilts Kept for Replacement	64	0.41
Market Hogs Sold	2,286	14.56
Other Hogs Sold	2	0.01
Inventory Change $\pm$	84	0.54
Purchases	100	0.64
Total Hogs Produced	2,878	18.33
Total Hogs Sold	2,712	17.27
Feeder Hog Mortality (#)	60	0.38
Feeder Hog Mortality (%)	1.51	-
Inventory Adjustment $\pm$	122	0.78

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed weight of 165 pounds for this size group.

Sow culling rates averaged 30.35 percent, and for each man equivalent of labor available, 49 sows were maintained.

TABLE C-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	165
Ave. Return per Market Hog	($)	144.14
Sow Mortality	(%)	2.55
Cull Rate on Sows	(%)	30.35
Labor Man Equivalents	(#)	3.22
Sows Kept per Man	(#)	49
Total Sales per Man	($)	117,582
Live Hog Produced per Man	(kgs)	71,348

FEED ANALYSIS

For the farms in this group, feed consumption per hog averaged 2.01 kilograms of creep (pre-starter), 39.24 kilograms of starter and 251.31 kilograms of grower, for a total consumption of 292.56 kilograms of feed. This gives a feed conversion of 2.91 pounds of feed for each pound of gain.

Total cost of feed per hog was $83.25, and the feed per sow and boar was 1,006 kilograms.

TABLE C-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	2.01
Cost Creep/Hog	($)	1.07
Starter per Hog	(kgs)	39.24
Cost Starter/Hog	($)	13.43
Grower per Hog	(kgs)	251.31
Cost Grower/Hog	($)	68.75
Total Feed per Hog	(kgs)	292.56
Total Cost Feed/Hog	($)	83.25
Ave. L.W. Hog Produced	(kgs)	96.1
Feed Conversion - Starter & Grower		2.91
Feed Cost/Kg. L.W. Hog	($)	0.87
Feed Cost/100 Lbs. L.W. Hog Produced	($)	39.27
Feed Cost/100 Lbs. D.W. Hog Produced	($)	50.45
Creep Cost/Tonne	($)	532.45
Starter Cost/Tonne	($)	342.28
Grower Cost/Tonne	($)	273.58
Feed per Sow & Boar	(kgs)	1,006

Section D

200 + SOWS

RECEIPTS

Receipts from the sale of hogs averaged 97.2 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 89.1 percent, breeding stock sales 2.9 percent, cull sows and boars 2.3 percent and weanling sales 5.7 percent.

Total Farm Receipts amounted to $566,917. on a per farm basis for this size group or $2,153. on a per sow basis.

TABLE D-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$490,805.	$1,864.
Weanlings	31,704.	120.
Gilts - Breeding Stock	15,918.	60.
Boars - Breeding Stock	-0-	-0-
Cull Sows	10,853.	41.
Cull Boars	1,735.	7.
Other Hogs	121.	1.
TOTAL HOG SALES	$551,136.	$2,093.
Stabilization	$ 4,799.	$ 18.
Subsidies	971.	4.
Other Income	10,011.	38.
TOTAL FARM RECEIPTS	$566,917.	$2,153.

EXPENSES

Purchased feed was the largest item of cost and accounted for 68.8 percent of Total Cash Expenses. In dollar terms, feed amounted to $1,209. on a per sow basis for this size group.

Feed was followed by hired labor at 12.3 percent, interest on operating loans at 4.4 percent, and utilities at 3.5 percent of Total Cash Expenses.

TABLE D-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$318,341.	$1,209.
Swine Purchased	7,634.	29.
Hired Labor	57,171.	217.
Bedding	628.	2.
Vet & Drugs	3,791.	14.
Hog Supplies	1,710.	6.
Marketing Costs	6,071.	23.
Utilities	15,958.	61.
Taxes	2,777.	11.
Insurance	4,844.	18.
Building Repairs	7,927.	30.
Machinery & Equipment Expense	5,045.	19.
Auto Expense	5,737.	22.
Interest - Operating	20,582.	78.
Miscellaneous	5,003.	19.
TOTAL CASH EXPENSES	$463,219.	$1,758.

INCOME SUMMARY

Income is one of the key factors studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. For these farms, this income measure averaged $103,698. per farm or $395. on a per sow basis.

NET FARM INCOME is the difference between Farm Receipts and Cash Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in this size group, Net Farm Income averaged $64,442. per farm or $246. on a per sow basis.

TABLE D-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$566,917.	$2,153.
Total Cash Expenses	463,219.	1,758.
NET CASH INCOME	$103,698.	$ 395.
Plus: Inventory Change	$ 14,863.	$ 56.
Less: Depreciation	30,122.	144.
Interest on Capital Loans	23,997.	91.
NET FARM INCOME	$ 64,442.	$ 246.

AVERAGE COST OF PORK PRODUCTION

For the farms in this group, the average cost of producing pork was $0.63 per pound live weight or $0.81 per pound dressed weight.

Note that this figure does not include a value for operator labor or interest on equity. Instead it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE D-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$517,338.	$1,963.
Plus: Inventory Adjustment		-(14,863.)	-(56.)
Less: Cull Sales		12,588.	48.
Other Income		10,011.	38.
TOTAL COSTS		$479,876.	$1,821.
Total Pounds Pork Produced (L.W.)	(lbs)	765,149	2,909
Ave. Cost of Production (L.W.)	($)	0.63	0.63
Ave. Cost of Production (D.W.)	($)	0.81	0.81

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. This item averaged 61.5 percent of total costs. Feed purchased was followed by hired labor at 11.1 percent, depreciation at 5.8 percent, interest on capital loans at 4.6 percent, interest on operating loans at 4.0 percent and utilities at 3.1 percent.

TABLE D-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	61.5 %
Swine Purchased	1.5
Hired Labor	11.1
Bedding	0.1
Vet & Drugs	0.7
Hog Supplies	0.3
Marketing Costs	1.2
Utilities	3.1
Taxes	0.6
Insurance	0.9
Building Repairs	1.5
Machinery & Equipment Expense	1.0
Auto Expense	1.1
Interest - Operating	4.0
Miscellaneous	1.0
Interest - Loans	4.6
Depreciation	5.8
TOTAL	100.0 %

PRODUCTION ANALYSIS

For farms in this size group, the average number of sows was 263, each averaging 2.07 litters of pigs per year.

There was an average of 21.68 pigs born per sow with 17.76 of these being weaned. Suckling mortality averaged 18.1 percent.

Sales of market hogs accounted for 80.3 percent of hog sales. Feeder hog mortality averaged 2.01 percent for these farms.

TABLE D-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	263	1.00
Number of Boars	13	0.05
Number of Litters	544	2.07
Pigs Born	5,709	21.68
Pigs Born Alive	5,315	20.18
Pigs Weaned	4,677	17.76
Pigs Born per Litter	10.50	-
Pigs Born Alive per Litter	9.77	-
Pigs Weaned per Litter	8.60	-
Suckling Mortality (#)	1,122	4.26
Suckling Mortality (%)	18.10	-
Weanlings Sold	704	2.68
Breeding Stock Sold	78	0.30
Gilts Kept for Replacement	50	0.19
Market Hogs Sold	3,396	12.91
Other Hogs Sold	1	-
Inventory Change $\pm$	270	1.03
Purchases	24	0.09
Total Hogs Produced	4,677	17.78
Total Hogs Sold	4,229	16.08
Feeder Hog Mortality (#)	128	0.49
Feeder Hog Mortality (%)	2.01	-
Inventory Adjustment $\pm$	74	0.28

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed wieght of 165 pounds.

Sow culling rates averaged 23.81 percent and for each man equivalent of labor available 45 sows were maintained.

TABLE D-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	165
Ave. Return per Market Hog	($)	144.47
Sow Mortality	(%)	3.04
Cull Rate on Sows	(%)	23.81
Labor Man Equivalents	(#)	5.86
Sows Kept per Man	(#)	45
Total Sales per Man	($)	96,720
Live Hog Produced per Man	(kgs)	59,351

FEED ANALYSIS

For the farms in this size group, feed consumption per hog averaged 2.60 kilograms of creep (pre-starter), 45.88 kilograms of starter and 239.04 kilograms of grower, for a total consumption of 287.52 kilograms of feed. This gives a feed conversion of 2.89 pounds of feed for each pound of gain.

Total cost of feed per hog was $78.87 and the feed per sow and boar was 894 kilograms.

TABLE D-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	2.60
Cost Creep/Hog	($)	1.41
Starter per Hog	(kgs)	45.88
Cost Starter/Hog	($)	14.58
Grower per Hog	(kgs)	239.04
Cost Grower/Hog	($)	62.88
Total Feed per Hog	(kgs)	287.52
Total Cost Feed/Hog	($)	78.87
Ave. L.W. Hog Produced	(kgs)	95.9
Feed Conversion - Starter & Grower		2.89
Feed Cost/Kg. L.W. Hog	($)	0.82
Feed Cost/100 Lbs. L.W. Hog Produced	($)	37.38
Feed Cost/100 Lbs. D.W. Hog Produced	($)	47.80
Creep Cost/Tonne	($)	541.12
Starter Cost/Tonne	($)	317.75
Grower Cost/Tonne	($)	263.07
Feed per Sow & Boar	(kgs)	894

Section E

ALL FARMS

RECEIPTS

Receipts from the sale of hogs averaged 95.8 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 90.4 percent, weanling sales 4.1 percent, cull sow and boars 2.7 percent, breeding stock sales 2.4 percent, and other hogs 0.3 percent.

Total Farm Receipts amounted to $272,828. on a per farm basis or $2,222. on a per sow basis.

TABLE E-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$236,407.	$1,925.
Weanlings	10,764.	88.
Gilts - Breeding Stock	5,638.	46.
Boars - Breeding Stock	763.	6.
Cull Sows	6,558.	53.
Cull Boars	522.	4.
Other Hogs	833.	7.
TOTAL HOG SALES	$261,485.	$2,129.
Stabilization	$ 3,146.	$ 26.
Subsidies	2,083.	17.
Other Income	6,114.	50.
TOTAL FARM RECEIPTS	$272,828.	$2,222.

EXPENSES

Purchased feed was the largest item of cost and accounted for 71.3 percent of Total Cash Expenses. In dollar terms, feed amounted to $1,297. on a per sow basis.

Feed was followed by hired labor at 7.9 percent, interest on operating loans at 3.9 percent, utilities at 3.2 percent, and miscellaneous at 2.3 percent of Total Cash Expenses.

TABLE E-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$159,344.	$1,297.
Swine Purchased	4,816.	39.
Hired Labor	17,649.	144.
Bedding	328.	3.
Vet & Drugs	1,833.	15.
Hog Supplies	1,283.	10.
Marketing Costs	3,211.	26.
Utilities	7,091.	58.
Taxes	1,236.	10.
Insurance	2,180.	18.
Building Repairs	4,051.	33.
Machinery & Equipment Expense	3,323.	27.
Auto Expense	3,175.	26.
Interest - Operating	8,591.	70.
Miscellaneous	5,179.	42.
TOTAL CASH EXPENSES	$223,290.	$1,818.

INCOME SUMMARY

Income is one of the key factors studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. For these farms, this income measure averaged $49,538. per farm or $404. on a per sow basis.

NET FARM INCOME is the difference between Current Income and Current Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in the study, Net Farm Income averaged $25,063. or $205. per sow.

TABLE E-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$272,828.	$2,222.
Total Cash Expenses	223,290.	1,818.
NET CASH INCOME	$ 49,538.	$ 404.
Plus: Inventory Change	$ 9,581.	$ 78.
Less: Depreciation	18,027.	147.
Interest on Capital Loans	16,029.	130.
NET FARM INCOME	$ 25,063.	$ 205.

AVERAGE COST OF PORK PRODUCTION

For the farms in this study, the average cost of producing pork was $0.65 per pound live weight or $0.83 per pound dressed weight.

Note that this cost figure does not include a value for operator labor or interest on equity. Instead it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE E-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$257,346.	$2,095.
Plus: Inventory Adjustment		-(9,581.)	-(78.)
Less: Cull Sales		7,080.	57.
Other Income		6,114.	50.
TOTAL COSTS		$234,571.	$1,910.
Total Pounds Pork Produced (L.W.)	(lbs)	360,305	2,929
Ave. Cost of Production (L.W.)	($)	0.65	0.65
Ave. Cost of Production (D.W.)	($)	0.83	0.83

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. This item averaged 61.9 percent of Total Costs. Feed purchased was followed by depreciation at 7.0 percent, hired labor at 6.9 percent, interest on capital loans at 6.2 percent and interest on operating loans at 3.3 percent.

TABLE E-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	61.9 %
Swine Purchased	1.9
Hired Labor	6.9
Bedding	0.1
Vet & Drugs	0.7
Hog Supplies	0.5
Marketing Costs	1.3
Utilities	2.8
Taxes	0.5
Insurance	0.8
Building Repairs	1.6
Machinery & Equipment Expense	1.3
Auto Expense	1.2
Interest - Operating	3.3
Miscellaneous	2.0
Interest - Loans	6.2
Depreciation	7.0
TOTAL	100.0 %

PRODUCTION ANALYSIS

For farms in this study, the average number of sows per farm was 123, each averaging 2.06 litters of pigs per year.

There was an average of 21.48 pigs born per sow with 17.57 of these being weaned. Suckling mortality averaged 17.93 percent.

Sales of market hogs accounted for 84.2 percent of hog sales. Feeder hog mortality averaged 2.49 percent for these farms.

TABLE E-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	123	1.00
Number of Boars	6	0.05
Number of Litters	253	2.06
Pigs Born	2,638	21.48
Pigs Born Alive	2,453	19.97
Pigs Weaned	2,158	17.57
Pigs Born per Litter	10.41	-
Pigs Born Alive per Litter	9.68	-
Pigs Weaned per Litter	8.52	-
Suckling Mortality (#)	513	4.18
Suckling Mortality (%)	17.93	-
Weanlings Sold	237	1.93
Breeding Stock Sold	33	0.27
Gilts Kept for Replacement	38	0.31
Market Hogs Sold	1,678	13.64
Other Hogs Sold	7	0.05
Inventory Change $\pm$	103	0.84
Purchases	30	0.24
Total Hogs Produced	2,171	17.65
Total Hogs Sold	1,993	16.20
Feeder Hog Mortality (#)	73	0.59
Feeder Hog Mortality (%)	2.49	-
Inventory Adjustment $\pm$	32	0.26

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed weight of 165 pounds.

Sow culling rates averaged 29.32 percent, and for each man equivalent of labor available, 44 sows were maintained.

TABLE E-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	165
Ave. Return per Market Hog	($)	141.68
Sow Mortality	(%)	4.01
Cull Rate on Sows	(%)	29.32
Labor Man Equivalents	(#)	2.77
Sows Kept per Man	(#)	44
Total Sales per Man	($)	98,411
Live Hog Produced per Man	(kgs)	59,125

FEED ANALYSIS

For the farms in the study, feed consumption per hog averaged 1.92 kilograms of creep (pre-starter), 44.12 kilograms of starter and 237.74 kilograms of grower, for a total consumption of 283.78 kilograms of feed. This gives a feed conversion of 2.92 pounds of feed for each pound of gain.

Total cost of feed per hog was $78.20 and the feed per sow and boar was 1,002 kilograms.

TABLE E-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	1.92
Cost Creep/Hog	($)	1.02
Starter per Hog	(kgs)	44.12
Cost Starter/Hog	($)	14.98
Grower per Hog	(kgs)	237.74
Cost Grower/Hog	($)	62.20
Total Feed per Hog	(kgs)	283.78
Total Cost Feed/Hog	($)	78.20
Ave. L.W. Hog Produced	(kgs)	96.20
Feed Conversion - Starter & Grower		2.92
Feed Cost/Kg. L.W. Hog	($)	0.81
Feed Cost/100 Lbs. L.W. Hog Produced	($)	36.89
Feed Cost/100 Lbs. D.W. Hog Produced	($)	47.39
Creep Cost/Tonne	($)	533.78
Starter Cost/Tonne	($)	339.57
Grower Cost/Tonne	($)	261.62
Feed per Sow & Boar	(kgs)	1,002

Section F

Summary

S U M M A R Y

The 1982 Nova Scotia Swine Farm Business Summary provides basic information and statistics on the costs and returns associated with the swine enterprise on Nova Scotia farms. While not based on a statistically sound random sample of swine farms, the summary can be used with care to assist in the analysis of the swine enterprise by providing group average data for comparison purposes.

In reviewing the information contained in previous pages, the following points can be noted:

- Average farm size measured in terms of sow numbers was 123 sows.
- Average litters per sow per year was 2.06.
- Average pigs weaned per sow per year was 17.57.
- Average sales of hogs per sow per year was 16.20.
- Average market hog dressed weight was 165 pounds.
- Average feed consumption per market hog was 283.78 kilograms, for a feed conversion of 2.92.

In compiling the data for this summary, extreme variation among farms was noted. This variation was observed in most factors of returns, costs and management factors. Below, we outline a number of the variations observed.

- Net Farm Income had a range of $1,131. per sow between the highest and lowest net incomes on a per sow basis.
- Total feed cost per sow had a range of $867.00.
- Feed cost as a percent of total costs varied between 76.0 percent and 41.2 percent.
- Kilograms of feed fed per hog raised varied as much as 160 kilograms.

- Pigs weaned per sow varied as much as 9.78 pigs per year.
- Sows kept per man equivalent had a range of 60 sows between the highest and lowest numbers of sows per man.

With such wide variation in many of the returns, costs and management factors, it is difficult to isolate specific characteristics that result in a profitable swine unit. It would appear, however, that a number of the key factors of production outlined above such as production, cost control, efficient use of capital and labor, are of significant importance in determining the success of the farm unit.

Those farm operators who successfully combined these factors of production in the management and operation of their farm units achieved a reasonable return to their labor, capital and management skills.